

CITY COMMISSION MINUTES

August 5, 2008

7:00 p.m.

The regular meeting of the Junction City City Commission was held on Tuesday, August 5, 2008 with Mayor Mick Wunder presiding.

The following members of the Commission were present: Terry Heldstab, Mike Rhodes, Ken Talley, Jack Taylor and Mick Wunder. Staff present was: City Manager Rod Barnes, City Attorney Christina Cook, City Clerk Tricia Gowen, and City Attorney Catherine Logan.

PLEDGE OF ALLEGIANCE

CONSENT AGENDA

Commissioner Rhodes moved, seconded by Commissioner Talley to approve the Consent Agenda. Ayes: Heldstab, Rhodes, Talley, Taylor, Wunder. Nays: None. Motion carried. The Consent Agenda consisted of the following:

- a. Approval of the **July 29, 2008**, City Commission meeting minutes.
- b. The consideration of **Appropriation Ordinance** dated July 24, 2008, through July 30, 2008, in the amount of \$271,995.17.
- c. The consideration and approval of **Request for Advertising for Bid Date** of August 18, 2008, for Spring Valley Road-, Fox Sparrow Court to Sutter Woods Road.
- d. The consideration and approval of **Pay Request #5** by HWS Consulting Group for services through June 28, 2008, for Junction City Pavement Patching, in the amount of \$16, 839.25.
- e. The consideration and approval of **R-2487** to sell the property at 230 E. 16th Street to Corine Johnson (Self-Help Housing).
- f. The consideration and approval of **R-2488** to sell the property at 332 16th Street Circle to Marsha Davis and Wendy Davis (Self-Help Housing).
- g. The consideration and approval of **Acceptance of the Waste Tire Products** Grant for the fiscal year 2009, in the amount of \$14,610.00. (City match to the grant is \$14,798.00.)
- h. The consideration and approval of **Acceptance of Target Grant** of \$2,000.00 to the Junction City Arts Council. (No match required by the City.)
- i. The consideration and approval of **Disposal of Defibrillators** by the Fire Department as they are no longer safe to use and are not repairable.
- j. The consideration and approval of **Ordinance S-3020** changing the street named Spring Hill Drive and Hickory Lane in Tom Neal Industrial Park to Ethan Drive (**First Reading**)

NEW BUSINESS

- a. The consideration and approval of **R-2489** establishing the date and time of a public hearing for a Redevelopment District within the City (Golden Belt Plaza Retail Project). City Attorney, Katie Logan, informed the Commission that the area in the redevelopment project had not been annexed into the City at the time the Commission took action concerning this matter. The annexation has occurred and the process will begin again. Commissioner Rhodes moved, seconded by Commissioner Heldstab to approve R-2489 establishing the date and time of a public hearing for a Redevelopment District within the City (Golden Belt Plaza Retail Project). Ayes: Heldstab, Rhodes, Talley, Taylor, Wunder. Nays: None. Motion carried.
- b. The consideration and approval of **Amended Streets Petition** by Fort Development for Olivia Farms Subdivision, in the amount of \$7,389,846.79. **(REMOVED FROM THE AGENDA AT THE REQUEST OF THE CITY ATTORNEY.)**
- c. The consideration and approval of **R-2486** amending and supplementing R-2383, street improvements/Olivia Farms Subdivision. **(REMOVED FROM THE AGENDA AT THE REQUEST OF THE CITY ATTORNEY.)**
- d. The consideration and approval of **R-2485** authorizing and directing the issuance, sale and delivery of General Obligation Temporary Notes, Series 2008-B, and Taxable General Obligation Temporary Notes, Series 2008-C. David Arteberry stated that this is the last step to authorize the issuance of the temporary notes. The total aggregate for the combined projects is \$7,000,000.00. Mr. Arteberry stated that he was very pleased with the response to the selling of the temporary notes. The Series 2008-B received an interest rate of four percent and the Series 2008-C received an interest rate of 4.75 percent. Mr. Arteberry stated that the feedback received from the investors indicated that the investment community would like to see the temporary notes rolled into permanent financing. Commissioner Rhodes moved, seconded by Commissioner Heldstab to approve R-2485 authorizing and directing the issuance, sale and delivery of General Obligation Temporary Notes, Series 2008-B and Taxable General Obligation Temporary Notes, Series 2008-C. Ayes: Heldstab, Rhodes, Talley, Wunder. Nays: Taylor. Motion carried four to one.
- e. The consideration and approval of **Ordinance S-3006** authorizing and providing the issuance of General Obligation Bonds, Series DS (Bartell House Parking). (First Reading). City Manager, Rod Barnes, informed the Commission that this action begins the process to close the parking lot project. Mark Karmann, Acting Codes Administrator, stated that he inspected the parking lot before it was turned over to the City. Commissioner Talley moved, seconded by Commissioner Rhodes to approve Ordinance S-3006 authorizing and providing the issuance of General Obligation Bonds, Series DS (Bartell Housing Parking) (First Reading). Ayes: Heldstab, Rhodes, Talley, Taylor, Wunder. Nays: None. Motion carried.
- f. The consideration and approval of **Notice of Award** for Construction Management and Observation Contract for K-18 and Karns. Bids accepted until July 31, 2008. Bid tabulations to be given to Commission prior to meeting on August 5, 2008. City Engineer, Christina Cook, informed the Commission that a Request for Qualifications was sent out for this project. HWS Consulting and Kaw Valley Engineering submitted bids. Commissioner Talley moved, seconded by Commissioner Heldstab to approve the Notice of Award for Construction Management and Observation Contract for K-18 and Karns to Kaw Valley Engineering for an amount not to exceed \$98,000.00. Ayes: Heldstab, Rhodes, Talley, Taylor, Wunder. Nays: None. Motion carried.

- g. The consideration and approval of **Notice of Award** for Construction Management and Observation Contract for Spring Valley Road – McFarland Road to Wildcat Lane. Bids accepted until July 31, 2008. Bid tabulations to be given to Commission prior to meeting on August 5, 2008. City Engineer, Christina Cook, stated this was also a Request for Qualifications. Bids were received from HWS Consulting and Kaw Valley Engineering. Commissioner Rhodes moved, seconded by Commissioner Heldstab to approve the Notice of Award for Construction Management and Observation Contract for Spring Valley Road – McFarland Road to Wildcat Lane to Kaw Valley Engineering for an amount not to exceed \$90,094.00. Ayes: Heldstab, Rhodes, Talley, Taylor, Wunder. Nays: None. Motion carried.
- h. The consideration and approval of **Notice of Award** for Construction Management and Observation Contract for Rucker Road – US 77 to Whitney. Bids accepted until July 31, 2008. Bid tabulations to be given to Commission prior to meeting on August 5, 2008. City Engineer, Christina Cook, stated this was also a Request for Qualifications. Bids were received from BG Consultants and HWS Consulting. Commissioner Rhodes moved, seconded by Commissioner Heldstab to approve the Notice of Award for Construction Management and Observation Contract for Rucker Road – US 77 to Whitney to BG Consultants for an amount not to exceed \$85,603.00. Ayes: Heldstab, Rhodes, Talley, Taylor, Wunder. Nays: None. Motion carried.
- i. The consideration and approval of **Policy Resolution 08-01** adopting a Code of Ethics for City Officials and City Employees. City Attorney, Katie Logan, reviewed the provisions of the policy resolution with the Commission. The policy resolution would cover the City Commission, City employees and City-appointed boards and commissions. Ms. Logan informed the Commission that this is a policy resolution and therefore can be changed any time in the future. Once adopted, the policy resolution becomes effective. Commissioner Rhodes moved, seconded by Commissioner Heldstab to postpone the approval of Policy Resolution 08-01 until the August 19, 2008 Commission meeting to allow the Commission further review and recommendations to the City Attorney. Ayes: Heldstab, Rhodes, Talley, Taylor, Wunder. Nays: None. Motion carried.

GENERAL DISCUSSION

(The Commission requests that comments be limited to a maximum of five minutes for each person).

David Alexander, 1204 McFarland, Junction City, KS stated he had questions concerning the Olivia Farms action that was removed from the agenda. City Manager, Rod Barnes, stated the City Engineer has the costs on the properties located in Olivia Farms. City Attorney, Katie Logan, stated that the lot designation prepared by GilmoreBell was incorrect and the City is not ready to act upon the item. Mr. Alexander also had questions about the pay request from September 4, 2007. The pay requests totaled approximately \$9 million; the Daily Union stated that it was \$7.3 million. Mr. Alexander hopes the right numbers and the amount of lots is correct. His question is what the correct numbers are. He is curious about the lots and the specials that will result.

Scott Johnson, 602 Stone Ridge Drive, Junction City, KS stated he had questions on lots and special amounts for Olivia Farms. He stated that the expenses for Olivia Farms are completely out of hand. The area where Sutter Woods and Sutter Highlands are located used to be beautiful farm land and it is now ruined. The developer has run off and done nothing. Mr. Johnson wanted to know if there is any obligation to inform the buyers of the bonds that they may invest in land that won't be built on for 10 or more years. He

wanted to know if there was any explanation as to what is going to be done to address the situation. Mark Karmann, Acting Codes Administrator, informed the Commission that the actual owners are relinquishing the building permits to Larkin Construction. Larkin Construction is assessing the projects and giving estimates. Also, they have their insurance company reviewing the property for the possibility of damage for a claim. The same company is doing the same thing with Deer Trail. Mr. Johnson stated that the public needs an explanation for the high special amounts.

Larry Graham, 918 Hemlock, Junction City, KS asked if the Code of Ethics covers subcontractors for City projects. City Attorney, Katie Logan, and City Manager, Rod Barnes, stated that as it is drafted, the Code of Ethics does not cover subcontractors. However, standards are set in the agreements between the City and the developer to include subcontractors. Mr. Graham stated that he has issues with selling the sanitation service and not selling it as well. He feels the City provides a lot of vital services to the community. If the City eliminates some of those services (recreation), we will be putting the kids of our community at risk. Mr. Graham was also concerned with receiving a separate bill from Waste Management instead of having the sanitation on the water bill. Commissioner Heldstab stated that it was his understanding that the City would continue to include the sanitation fee on the water bill. Mr. Graham is concerned that if someone can't pay their bills and the sanitation is billed separately, the sanitation bill will not get paid and eventually there will be trash all over the community. Commissioner Wunder clarified that the sanitation rate per month will increase no matter who supplies the service.

COMMISSIONER COMMENTS

Commissioner Taylor stated that he had received several calls concerning the Daily Union comments that he is in favor of selling the sanitation service. Commissioner Taylor clarified that if the price is right, he might consider this action; however, at this time he is opposed to selling the sanitation service.

Commissioner Talley wished Commissioner Taylor good luck in the primary election.

Commissioner Heldstab said kudos to Acorn Resort. He stated that we have several great vacation opportunities right here at home (Acorn Resort, Flag Stop, Thunderbird Marina, State Park, etc.) Commissioner Taylor stated that he had a visitor from Japan who stayed at Acorn Resort and was very pleased with his stay. The visitor invited his family from the Kansas City area and they were pleased as well.

Commissioner Rhodes wished Commissioner Taylor good luck in the primary election. Commissioner Rhodes asked for an update on the asphalt situation on the 6th Street project. City Engineer, Christina Cook, informed the Commission that the asphalt problem is world-wide. She has not heard anything from KDOT concerning the project at 6th and Jackson and 6th and Webster with regards to the asphalt. From the reports she is getting, the price for asphalt should stabilize soon; however it will be at a higher price. Ms. Cook is meeting with KDOT on Wednesday and should have more information after the meeting regarding the asphalt issue and the possible completion time.

Mayor Wunder wished Commissioner Taylor good luck in the primary election. He also thanked everyone involved in the City game against the Generals which raised money for Chapman.

STAFF COMMENTS

City Manager, Rod Barnes reminded the Commission that the public hearing for the budget is scheduled for Thursday, August 14, 2008 at 7 p.m.

ADJOURNMENT

Commissioner Rhodes moved, seconded by Commissioner Heldstab to adjourn at 7:43 p.m.
Ayes: Heldstab, Rhodes, Talley, Taylor, Wunder. Nays: None. Motion carried.

APPROVED AND ACCEPTED THIS 19th DAY OF AUGUST, 2008 AS THE OFFICIAL COPY OF THE JUNCTION CITY CITY COMMISSION MINUTES FOR AUGUST 5th, 2008.



Tricia Gowen, City Clerk



Mick Wunder, Mayor